

CONFIDENTIAL

DD/S 70-2864

OLC-70-0467

13 JUL 1970

MEMORANDUM FOR: Legislative Counsel

Jack:

I received a copy of the CIARDS legislation package that you recently sent to the Bureau of the Budget. I note that the requested revision of Section 236 provides for a ceiling of [] retirees between 1 July 1969 and 30 June 1974.

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I believe that figure is insufficient for the number of mandatory and voluntary retirements we can expect during that period. If the legislation is binding, as it appears to be, we simply cannot force an employee to remain employed when he meets the criteria for retirement. We need sufficient authority to make sure this doesn't happen.

I would prefer that the proposed legislation not include any ceiling figure on the number of retirements. Our best guess as to the number of retirements we can expect [] Therefore, if a figure is necessary, I suggest that [] the minimum or preferably [] I hope you can take action to correct the figure in the proposed revision.

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R. L. Bannerman

13 July 1970

Comments on 13 July 1970 Memorandum from DDS re

CIARD Legislative Proposal

-- "Prefer not to include ceiling...if ceiling is necessary...."

Comment - A temperature reading of our CIARD proposals was taken with our Committee staffs at Colonel White's direction. Braswell, of Senate Armed Services Committee, strongly recommended that we increase the ceiling over the period involved rather than repeal it outright. This, it is believed, was reported to Colonel White who agreed with the need for a change from outright repeal to an increase in the ceiling. [] said he would supply the figure after a careful review of our requirements.

-- "Our best guess is about [] be the minimum or preferably []

Comment - At the direction of [] called in the figure [] as the number of retirements projected from 1 July 1960 through 30 June '74, which are countable under the ceiling (section 236). Ben said their review confirmed their earlier 9 March 1970 projection. When it was explained that we

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[] advised that we should not go "beyond" []

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Since almost 30% of the [] retirements were projected to occur in the last year in which the ceiling limitation would be enforced, the rounded off figure [] appeared to provide a comfortable margin to the extent there was flexibility in setting retirement dates, e. g., 1 July 1974 (which is not countable when the ceiling no longer applies) rather than in the preceding month when it does apply.

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-- Following the receipt of the 13 July memo this matter was once again reviewed [] He was unaware of the 13 July memo.

He reconfirmed what had transpired between us concerning the ceiling figure. He did say, however, that the number of retirements (voluntary and discontinued service) which had taken place recently had far exceeded their earlier projections and this development may indeed invalidate the figures supplied us. He said something to the effect that because of the rash of retirements and in view of the projected mandatory retirements there would be room only for some [] voluntary retirements for the remainder of the period during which this ceiling would be in force (i. e., 30 June '74).

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In view of the above I offered [] an opportunity to straighten this matter out within the DDS in lieu of our responding to the DDS' 13 July memorandum. He agreed to take it up with his front office and be back in touch.

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-- If it is determined that the ceiling should be revised upward, it is believed that it would be relatively simple to make arrangements with the Office of Management and Budget to include in their clearance of the CIARDS proposals the ceiling figure we ultimately decide upon.

14 July 1970

STAT

points:

a. Retirement Ceiling. The [] figure was still a valid projection (in fact, it now looks more like [] but that Personnel, of course, would agree with the DDS suggestion [] In response to my question as to why that figure would be better than [] agreed that it was not any better but that there may be a point where by setting the ceiling too high (i. e., by doubling) we either call question to the accuracy of the previous [] estimate or a substantial change in our retirement program. [] said they would stand behind what they had reported to us earlier if this would be of any help in view of the apparent breakdown in communications which occurred within the DDS. I told him from my personal viewpoint this was not necessary.

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b. Repealer or Increase Ceiling. Personnel takes note that in the DDS memorandum the first preference is to repeal the ceiling limitation outright. He said no one in Personnel was aware that a policy determination to change from repeal to increase in the ceiling had been made in deference to Braswell's recommendation. I told him that it was my belief that Colonel White had been briefed on this and agreed to the change and that it was this determination which most likely formed the basis for the Maury [] conversation concerning the retirement ceiling needed to carry us through 30 June 1974.

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c. Ramifications of Recent Rash of Retirements. He said that upon further review and contrary to what he had said late yesterday afternoon, the recent rash of retirements did not change the retirement numbers picture at all since many of the unexpected voluntary retirements were in fact cases that had been projected for mandatory retirement in the next several years.

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ACTION		DIRECT REPLY	PREPARE REPLY
APPROVAL		DISPATCH	RECOMMENDATION
COMMENT		FILE	RETURN
CONCURRENCE		INFORMATION	SIGNATURE
Remarks:			
<p>Based on our discussion this morning, outcome of my discussion [] and DDS memo, I will contact BOB re changing figure in CIARD proposal [] (see first clip). OK?</p> <p>You may be interested that Personnel through [] denies any knowledge of or approval of policy change from outright repeal of ceiling to a ceiling increase. See second clip.</p>			
FOLD HERE TO RETURN TO SENDER			[]
FROM: NAME, ADDRESS AND PHONE NO.			DATE

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